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Commonwealth of Kentucky Environmental and Public Protection Cabinet Public Service Commission

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PSC APPROVES PROGRAM PROMOTING CONSTRUCTION OF ENERGY-EFFICIENT HOMES

Program will be available to East Kentucky Power Cooperative customers

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FRANKFORT, KY – The Kentucky Public Service Commission today approved a program that will offer rebates of up to \$1,000 to East Kentucky Power Cooperative Inc. (EKPC) customers who incorporate energy-saving features when building a new home.

The amount of the rebate will be determined by the distribution cooperative serving the home. The cooperative's rebate, which can be as much as \$500, will be matched by EKPC.

A maximum \$1,000 total rebate would defray nearly half of the estimated \$2,125 in additional costs required to build a home to energy-efficient standards. Homes meeting the energy efficiency standards consume about one-third less electricity, reducing usage by about 5,100 kilowatt-hours per year. (A kilowatt-hour is the amount of energy used in 10 hours by a 100-watt light bulb.)

With the maximum rebate, a homeowner will recover the increased cost of an energy-efficient home in about four years. With no rebate, the homeowner's payback period is about seven-and-a-half years.

EKPC's program is called the Touchstone Energy Home Program. Used by electric cooperatives across the nation, the Touchstone program is based on standards for the Energy Star program developed by the U.S. Environmental Protection Agency and the U.S. Department of Energy.

Homes built to the Touchstone standards have more efficient heating and cooling systems, more efficient water heaters, better-insulated windows and doors and extra insulation in floors, walls and attics. The program is projected to reduce EKPC's peak winter electric demand by as much as 2.4 kilowatts per home – the equivalent of turning off 24 100-watt light bulbs.

EKPC plans to offer the program through the year 2009. The PSC will receive annual reports on the progress of the program.

The order and other documents in the case are available on the PSC web site, <u>psc.ky.gov</u>. The case number is 2003-481.